

**Kansas Waiver Plan #1  
WIA Adult and Dislocated Worker Funding 30 Percent Transfer Limit**

**Statutory or Regulatory Requirement to be Waived**

The Department of Commerce requests WIA Section 133(b)(4) be waived to eliminate the 30 percent limitation on transferring funds between the adult and dislocated worker programs, thereby allowing the Local Boards discretion to transfer an unlimited amount of funds between these two programs. WIA Section 133(b)(4) provides that, with the approval of the Governor, Local Boards may transfer funds between the adult and dislocated worker programs, as follows:

- Up to 30 percent of a program year allocation for adult employment and training activities; and
- Up to 30 percent of a program year allocation for dislocated workers employment and training activities.

**Action the State has Taken to Remove Barriers**

Kansas has recognized a barrier to meeting customer needs imposed by the 30 percent limitation on transferring funds between the adult and dislocated worker programs. This limitation makes it difficult for the Local Boards to respond to economic changes within their regions. This waiver will increase flexibility so the Local Boards are better able to meet the needs of the customers they served through the One-Stop delivery system.

**Goals and Expected Programmatic Outcomes**

The immediate goal of this Waiver Plan is to increase local expenditure rates to at least the following levels by the end of each program year:

- Adult 80 percent of formula funds
- Dislocated worker 85 percent of formula funds

The increased flexibility to transfer funds will result in a higher rate of expenditure, more clients receiving WIA services, and improved performance outcomes. In addition, this Waiver Plan is intended to accomplish the following:

- Improve the ability of Local Boards to respond to economic changes within their regions;
- Increase local control for program delivery in response to customer needs;
- Increase collaboration with business to identify industry needs and provide worker training; and
- Increase accountability for expenditures at the state, local, and service provider levels.

## **Individuals Affected**

Allowing the Local Boards increased flexibility to transfer funds between the adult and dislocated worker programs would result in expanded services to business and increased employment and training opportunities, particularly in those regions low expenditure rates. This would positively impact business and individuals seeking employment and training services.

## **State Processes**

### Monitoring Implementation

The Department of Commerce will provide written notice to all Local Boards related to implementing program changes made possible due to the increased flexibility allowed by the waiver. Commerce will monitor the expenditure levels of each local area to ensure they are consistent with the levels established by the fund transfer.

Local Boards requesting fund transfers between programs will be required to provide the following information to the Department of Commerce for approval:

- Effective date of the fund transfer;
- Amount of funds to be transferred;
- Local Board's assessment of local conditions creating a need for the transfer; and
- How the transfer will meet contracted performance targets and critical workforce needs of the region.

### Providing Notice to Local Boards Affected by the Waiver

The Department of Commerce will notify all Local Boards through e-mail this waiver plan will be contained in the proposed Kansas Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act (State Plan).

### Providing Local Boards Affected by the Waiver an Opportunity to Comment

This waiver plan is included as an attachment to the State Plan. A draft of this plan will be provided to the Local Boards for review and comment. Any comments received and actions taken concerning any such comments will be included in Attachment D.

### Ensuring Meaningful Public Comment on the Waiver Request

This waiver plan is included as an attachment to the State Plan. A draft of this plan will be provided to the public for review and comment for a period of 30 days. Comments received and actions taken in response to comments received will be included in Attachment D.

## **Kansas Waiver Plan #2 Expenditure-Based Reallocation Policy**

### **Statutory or Regulatory Requirement to be Waived**

The Department of Commerce requests 20 CFR, WIA Section 667.160 be waived to allow the Governor to implement an expenditure-based deobligation/reallocation policy. The Supplemental Appropriations Act, 2001 (Public Law 107-20), instructs the U.S. Secretary of Labor to report expenditures to Congress. In addition, the administration, in the form of the President's 2003 Budget and the Assistant Secretary's Budget testimony, indicates funding will be decreased based on the amount of unspent funds. These actions, along with the urgency contained in communications with the USDOL, make it clear the state needs a new method for evaluating utilization of funding.

Kansas has followed the intent of WIA and prohibits the Local Boards from operating programs themselves. Without this waiver, the Local Boards are virtually fully obligated when they issue funding to their program operators at the beginning of each program year. This makes an obligation requirement meaningless as a tool to ensure the maximum numbers of individuals are served with each year's funding.

### **Action the State has Taken to Remove Barriers**

Kansas recognizes that the barrier imposed by an expenditure-based deobligation/reallocation policy is a contributing factor to low expenditures at the local level and fully implementing WIA in all regions. The state wishes to remove this barrier to ensure the workforce development system is fully funded and implemented statewide and available funds are expended at an adequate level to provide more business and jobseeker customers the services they need.

### **Goals and Expected Programmatic Outcomes**

The impact at the local level will be to reduce the backlog of unexpended funds, which will reflect in the state's overall expenditure level. Since Congress determines the WIA budget based on expenditure levels, decreases in future funding at all levels will result if the Governor fails to ensure adequate levels of funding are expended each year.

The goal of the Kansas Strategic State Workforce Investment Plan for Title I of the Workforce Investment Act of 1998 and the Wagner-Peyser Act is to provide an environment to support a market-driven workforce development system with clear goals to provide accountability to its customers. The goal of this Waiver Plan is to ensure the workforce development system is fully funded and implemented statewide and available funds are expended to provide more business and jobseeker customers the services they need.

The immediate goal of this Waiver Plan is to increase the local expenditure rates to at least the following levels by the end of each Program Year:

- Adult 80 percent of formula funds
- Youth 80 percent of formula funds

- Dislocated worker 85 percent of formula funds
- Local administration 80 percent of formula funds

## **Individuals Affected**

This Waiver Plan will provide benefits to business and jobseeker customers because more jobseekers will be trained and business will have access to a larger labor pool of qualified applicants. Requiring the Local Boards to expend the majority of their formula funds by the end of each year will result in expanded services, particularly in those regions with historically low expenditure rates.

## **State Processes**

### Monitoring Implementation

The Department of Commerce will provide written notice to all Local Boards related to implementing program changes, including the implications regarding deobligation and reallocation based on expenditure levels. Commerce will monitor the expenditure levels of each local area to ensure they are consistent with immediate goals described above.

### Providing Notice to Local Boards Affected by the Waiver

The Department of Commerce will notify all Local Boards through e-mail this waiver plan will be contained in the proposed Kansas Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act (State Plan).

### Providing Local Boards Affected by the Waiver an Opportunity to Comment

This waiver plan is included as an attachment to the State Plan. A draft of this plan will be provided to the Local Boards for review and comment. Any comments received and actions taken concerning any such comments will be included in Attachment D.

### Ensuring Meaningful Public Comment on the Waiver Request

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**Kansas Waiver Plan #3**  
**Incumbent Worker Training at the Local Area Level**

**Statutory or Regulatory Requirement to be Waived**

The Department of Commerce requests WIA Section 134(d)(3)(A) to be waived to allow the Local Boards, at their discretion, to spend up to 10 percent of funds allocated under WIA Section 133(b) to carry out incumbent worker training programs.

WIA Section 134(d)(3)(A) effectively blocks the use of formula funds for incumbent worker training. Approval of this Waiver Plan will reduce layoffs and closures by assisting companies in saving jobs and becoming more competitive through provision of needed training to current workers.

**Action the State has Taken to Remove Barriers**

Kansas recognizes that the regulation that prevents the Local Boards from spending up to 10 percent of funds allocated under WIA Section 133(b) to carry out incumbent worker training programs is a barrier to using local funds to meet the needs of businesses and their existing workers. The state wishes to encourage a local system to provide companies the assistance they need to retain jobs and create new ones through incumbent worker training.

**Goals and Expected Programmatic Outcomes**

This Waiver Plan will provide Local Boards the option to spend a portion of their WIA formula funding for incumbent worker training. With each succeeding year, competition in the workplace increases. Incumbent worker training provides companies the assistance they need to retain jobs and even to create new jobs.

**Individuals Affected**

This Waiver Plan will positively affect business by reducing the risk of layoff or closing because workers have not kept current with new skills and technology. It further has the potential to expand employment. The training provided to individuals makes the worker more valuable to both the current business and to other businesses as well. This Waiver Plan increases the role of Local Boards and the role of business in the workforce development system. It also increases local flexibility to respond to the business community, in keeping with the goals of WIA.

**State Processes**

Monitoring Implementation

The Kansas Department of Commerce will encourage the Local Boards to implement the Waiver Plan to develop incumbent worker training programs, and will monitor the performance results in the statewide management information system. The Department of Commerce will issue a workforce development policy to define the requirements for the incumbent worker training program to include a 50 percent

match from the business. The match could come from other federal, state, or private funding, or in-kind contributions.

Providing Notice to Local Boards Affected by the Waiver

The Department of Commerce will notify all Local Boards through e-mail this waiver plan will be contained in the proposed Kansas Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act (State Plan).

Providing Local Boards Affected by the Waiver an Opportunity to Comment

This waiver plan is included as an attachment to the State Plan. A draft of this plan will be provided to the Local Boards for review and comment. Any comments received and actions taken concerning any such comments will be included in Attachment D.

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